



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812

MARK J. SALADINO
TREASURER AND TAX COLLECTOR

August 22, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**ISSUANCE AND SALE OF HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
GENERAL OBLIGATION BONDS, 2000 ELECTION, SERIES B 2003
(FIRST DISTRICT) (3-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the Resolution authorizing the issuance and sale of General Obligation Bonds of the Hacienda La Puente Unified School District in an amount not to exceed \$60,000,101.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On August 21, 2003, the Governing Board of the Hacienda La Puente Unified School District adopted a Resolution determining that the District needs to borrow funds in an aggregate principal amount not to exceed \$60,000,101 to be used for authorized purposes.

On June 6, 2000, an election was held whereby qualified voters of the District approved the proposition authorizing the District to issue \$100,000,000 in general obligation bonds to finance the construction and improvement of school facilities. This is the second issuance of bonds authorized under this bond measure. The prior series was issued in the aggregate principal amount of \$39,999,899.

Pursuant to Section 15140 of the Education Code, the Board of Supervisors is responsible for offering the District's bonds for sale. Such bonds shall be issued in the name and on behalf of such school district by the Board of Supervisors of the County following receipt of the district resolution requesting such borrowing.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal of Service Excellence by providing seamless, one-stop service delivery to the school district. It supports the Strategic Plan Goal of Organizational Effectiveness through collaborative actions among County departments and other governmental jurisdictions. And, it supports the Strategic Plan Goal of Fiscal Responsibility by providing investment in and development of public school infrastructure in this County.

FISCAL IMPACT/FINANCING

None to the County. All debt will be paid by the District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Resolution provides for issuance of General Obligation Bonds at an interest rate not to exceed a true interest cost of 6%. The final structure will be determined at the time of pricing to achieve the lowest cost of financing within the limits of the proposition's tax levy. The term of the bonds will not exceed twenty-five years. Provisions for optional redemption of the bonds will be described in the Contract of Purchase.

The Resolution provides for the negotiated sale of the bonds, with participation by the Treasurer and Tax Collector in pricing of the bonds, to the Underwriters. The District has selected George K. Baum & Company as Underwriter; the firm of Orrick, Herrington & Sutcliffe LLP as Bond Counsel; and U.S. Bank Trust National Association as Paying Agent.

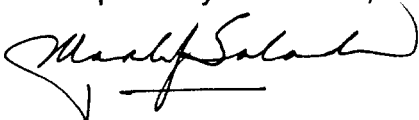
The County will annually levy and collect ad valorem taxes for the repayment of the bonds on behalf of the District.

The Honorable Board of Supervisors
August 22, 2003
Page 3

CONCLUSION

Upon approval of this Resolution, the Department will need two (2) originally executed copies of the adopted Resolution.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark J. Saladino", with a horizontal line underneath.

MARK J. SALADINO
Treasurer and Tax Collector

MJS:DL:TG:pab
Pb/Board/HaciendaLaPuenteUSD

Attachments (2)

- c: Chief Administrative Officer
- Auditor-Controller
- County Counsel
- Hacienda La Puente Unified School District
- Los Angeles County Office of Education
- Orrick, Herrington & Sutcliffe LLP
- George K. Baum & Company
- U. S. Bank Trust, National Association

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING THE ISSUANCE AND SALE OF BONDS ON BEHALF OF THE HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED SIXTY MILLION ONE HUNDRED ONE DOLLARS (\$60,000,101) BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE CONTRACT, PRESCRIBING THE TERMS OF SALE OF THE BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE BOND PURCHASE CONTRACT, AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES RELATING TO THE BONDS.

WHEREAS, an election was duly called and held in the Hacienda La Puente Unified School District (the "District"), County of Los Angeles (the "County"), California, on June 6, 2000, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District:

"To bring all Hacienda La Puente Unified School District schools into compliance with current building safety/health codes, repair/renovate school facilities, build needed classrooms, libraries and science labs, by funding projects described in the District's bond plan, including asbestos removal, ventilation and fire alarm systems upgrades, and installation of wiring for technology in classrooms and libraries, shall Hacienda La Puente Unified School District issue \$100,000,000 of bonds at interest rates within the legal limit, with annual audits, and qualify for \$56,000,000 in state grants?"

WHEREAS, at least two-thirds of the votes cast on said proposition were in favor of issuing said bonds;

WHEREAS, on September 20, 2000, pursuant to a resolution of the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles (the "County") adopted on August 29, 2000, at the request of the District pursuant to a resolution of the Board of Education (the "Board of Education") of the District adopted on August 15, 2000, a series of said bonds designated the "Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series A (2000)" in an aggregate principal amount of \$39,999,899.00 was issued and sold;

WHEREAS, pursuant to California Education Code Section 15140 *et seq.*, the Board of Education of the District has requested the Board of Supervisors of the County to issue an additional portion of the bonds in a single series designated the "Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)" (the "Series B Bonds") in an aggregate principal amount not exceeding \$60,000,101, and to authorize the sale of the bonds by a negotiated sale to George K. Baum & Company (the "Underwriter") pursuant to a Bond Purchase Contract (the "Bond Purchase Contract"), a form of which has been submitted to and is on file with the Executive Officer-Clerk of this Board of Supervisors, all according to the terms and in the manner set forth in a resolution (the "District Resolution") duly

adopted by the Board of Education of the District on August 21, 2003, a certified copy of which has been filed with the Executive Officer-Clerk of this Board of Supervisors;

WHEREAS, this Board of Supervisors accepts the representations of the Board of Education in the District Resolution that it is desirable for the Board of Supervisors to issue the Series B Bonds on behalf of the District and to sell the Series B Bonds by a negotiated sale for the purposes for which the Series B Bonds have been authorized on the terms and conditions set forth in the District Resolution and the Bond Purchase Contract; and

WHEREAS, the Series B Bonds will be issued by this Board of Supervisors on behalf of the District, payable from ad valorem taxes to be levied on all taxable property in the District, as herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Resolution, have the meanings specified herein, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Board of Education” means the Board of Education of the District.

“Board of Supervisors” means the Board of Supervisors of the County.

“Bond Purchase Contract” means the Bond Purchase Contract relating to the sale of the Series B Bonds by and among the County, the District and the Underwriter.

“Capital Appreciation Series B Bonds” means those Series B Bonds accreting interest semiannually to the maturity date thereof payable in accordance with Section 6(e) hereof.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series B Bonds.

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series B Bonds.

“County” means the County of Los Angeles.

“County Resolution” means this Resolution of the Board of Supervisors.

“Current Interest Series B Bonds” means those Series B Bonds bearing interest payable semiannually on a current basis in accordance with Section 6(d) hereof.

“District” means the Hacienda La Puente Unified School District.

“District Resolution” means the Resolution of the District adopted on August 21, 2003.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Series B Bonds, including any such successor thereto appointed pursuant to Section 10 hereof.

“Information Services” means Financial Information, Inc.’s “Daily Called Bond Service,” 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Kenny Information Services’ “Called Bond Service,” 65 Broadway, 16th Floor, New York, New York 10006; Moody’s “Municipal and Government,” 99 Church Street, 8th Floor, New York, New York 10007, Attention: Municipal News Reports; and Standard & Poor’s “Called Bond Record,” 25 Broadway, 3rd Floor, New York, New York 10004; or, in accordance with the then current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other services providing information with respect to called bonds as the District may designate.

“Interest Payment Date” means February 1 and August 1 of each year, commencing on February 1, 2004 with respect to the Current Interest Series B Bonds and, for purposes of compounding interest on the Capital Appreciation Series B Bonds, commencing on February 1, 2004, or such other dates as may be set forth in the Bond Purchase Contract.

“Official Statement” means the Official Statement of the District relating to the Series B Bonds.

“Owner” means, with respect to any Series B Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

“Paying Agent” means the Treasurer or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series B Bonds in accordance with Section 9 hereof.

“Record Date” means, with respect to any Interest Payment Date for the Series B Bonds, the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a business day.

“Registration Books” means the books for the registration and transfer of the Series B Bonds maintained by the Paying Agent in accordance with Section 9(d) hereof.

“Securities Depositories” means: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190; or, in accordance with then current guidelines of the Securities Exchange Commission, to such other addresses and/or such other securities depositories as the District may designate.

“Series B Bonds” means the “Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)” issued pursuant hereto.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate, executed by the District, dated the date of issuance of the Series B Bonds.

“Treasurer” means the Treasurer and Tax Collector of the County or any authorized deputy thereof.

“Underwriter” means George K. Baum & Company.

Section 3. District Resolution Incorporated. The District Resolution is incorporated herein by reference and all of the provisions thereof are made a part hereof and shall be applicable to the Series B Bonds herein provided for, except as herein otherwise expressly provided.

Section 4. Authorization and Designation of Bonds. This Board of Supervisors hereby authorizes, on behalf of the District, the issuance and sale of not to exceed \$60,000,101 aggregate principal amount of Series B Bonds. The Series B Bonds shall be designated “Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)”. The Series B Bonds shall be issued as Current Interest Series B Bonds and Capital Appreciation Series B Bonds, as provided in Section 6 hereof.

Section 5. Form of Bonds; Execution. (a) *Form of Series B Bonds.* The Series B Bonds shall be issued in fully registered form without coupons. The Current Interest Series B Bonds, the Capital Appreciation Series B Bonds, and the certificate of authentication and registration and the form of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit A and Exhibit B, respectively, with necessary or appropriate variations, omissions and insertions as permitted or required by this County Resolution.

(b) *Execution of Bonds.* The Series B Bonds shall be signed by the manual or facsimile signatures of the Chair of the Board of Supervisors and of the Treasurer or the Treasurer’s designee, and countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors. The Series B Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(c) *Valid Authentication.* Only such of the Series B Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a), executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this County Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series B Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this County Resolution.

(d) *Identifying Number.* The Paying Agent shall assign each Series B Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 6. Terms of Bonds. (a) *Date of Series B Bonds.* The Current Interest Series B Bonds shall be dated September 15, 2003, or such other date as shall be set forth in the Bond Purchase Contract. The Capital Appreciation Series B Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Contract.

(b) *Denominations.* The Current Interest Series B Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof. The Capital Appreciation Series B Bonds shall be issued in denominations of \$5,000 accreted value at maturity ("maturity value") or any integral multiple thereof, except that the first numbered Capital Appreciation Series B Bond may be issued in a denomination such that the maturity value of such Capital Appreciation Series B Bond shall not be an integral multiple of \$5,000.

(c) *Maturity.* The Current Interest Series B Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Contract. No Current Interest Series B Bond shall mature later than the date which is 25 years from the date of the Current Interest Series B Bonds. No Current Interest Series B Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Contract may provide that no Current Interest Series B Bonds shall be issued.

The Capital Appreciation Series B Bonds shall mature on the date or dates, in each of the years, and in such maturity values as shall be set forth in the Bond Purchase Contract. No Capital Appreciation Series B Bond shall mature later than the date which is 25 years from the date of the Capital Appreciation Series B Bonds, to be determined as provided in subsection (a) of this Section. No Capital Appreciation Series B Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Contract may provide that no Capital Appreciation Series B Bonds shall be issued.

(d) *Interest; Current Interest Series B Bonds.* The Current Interest Series B Bonds shall bear interest payable on the Interest Payment Dates in each year computed on the basis of a 360-day year of 12 30-day months. Each Current Interest Series B Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Current Interest Series B Bond, interest is in default on any outstanding Current Interest Series B Bonds, such Current Interest Series B Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Series B Bonds.

(e) *Interest; Capital Appreciation Series B Bonds.* The Capital Appreciation Series B Bonds shall not bear current interest; each Capital Appreciation Series B Bond shall accrete in value daily over the term to its maturity (on the basis of a 360-day year consisting of 12 30-day months), from its initial principal (denominational) amount on the date of issuance thereof to its stated maturity value at maturity thereof, on the basis of a constant interest rate compounded semiannually on each Interest Payment Date (with straight-line interpolations between Interest

Payment Dates). The accreted value per \$5,000 maturity value of the Capital Appreciation Series B Bonds on each Interest Payment Date shall be given for reference in a table of accreted values to appear in the Capital Appreciation Series B Bonds; provided, however, that the accreted value determined in accordance with this Section shall prevail over any different accreted value given in such table. Interest on the Capital Appreciation Series B Bonds shall be payable only upon maturity or prior redemption thereof.

Section 7. Payment of Bonds. (a) *Sources of Payment for the Bonds.* The money for the payment of principal, redemption premium, if any, and interest with respect to the Series B Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District, and the Board of Supervisors hereby covenants to annually levy *ad valorem* taxes for the payment of the Series B Bonds on all property in the District subject to taxation by the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates).

(b) *Principal.* The principal of the Current Interest Series B Bonds and the accreted value of the Capital Appreciation Series B Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on the Current Interest Series B Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made in immediately available funds to any Owner of at least \$1,000,000 of outstanding Current Interest Series B Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* Principal and interest due on the Series B Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the Education Code.

(e) *Obligation to Levy Taxes.* The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series B Bonds in such year, and to pay from such taxes all amounts due on the Series B Bonds. No part of any fund or account of the County is pledged or obligated to the payment of the Series B Bonds.

(f) *Insurance.* The payment of principal and interest on the Series B Bonds may be secured by an insurance policy as shall be described in the Bond Purchase Contract. The Bond Purchase Contract may provide that no insurance policy shall be obtained.

Section 8. Redemption Provisions. (a) *Optional Redemption.* The Current Interest Series B Bonds shall be subject to redemption prior to their respective stated maturity dates at the option of the District as set forth in the Bond Purchase Contract and in the Current Interest Series B Bonds.

Unless otherwise specified in the Bond Purchase Contract, the Capital Appreciation Series B Bonds shall not be subject to optional redemption prior to their stated maturity dates.

(b) *Mandatory Sinking Fund Redemption.* The Current Interest Series B Bonds, if any, which are designated in the Bond Purchase Contract as Current Interest Series B Term Bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Contract. The principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Current Interest Series B Bonds of that maturity optionally redeemed in accordance with the provisions hereof prior to the mandatory sinking fund payment date. The Bond Purchase Contract may provide that the Current Interest Series B Bonds shall not be subject to mandatory sinking fund redemption.

The Capital Appreciation Series B Bonds, if any, which are designated in the Bond Purchase Contract as Capital Appreciation Series B Term Bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Contract. The amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Capital Appreciation Series B Bonds of that maturity optionally redeemed in accordance with the provisions hereof prior to the mandatory sinking fund payment date. The Bond Purchase Contract may provide that the Capital Appreciation Series B Bonds shall not be subject to mandatory sinking fund redemption.

(c) *Notice of Redemption.* Notice of any redemption of the Series B Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, (ii) by certified, registered or overnight mail at least one business day before the mailing of notices to the Owners, to the Securities Depositories, (iii) by certified, registered or overnight mail at the time of the mailing to the Owners, to the Information Services, and (iv) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall contain all of the following information:

- (i) the date of such notice;
- (ii) the name of the Series B Bonds and the date of issue of the Series B Bonds;
- (iii) the redemption date;

- (iv) the redemption price;
- (v) the dates of maturity of the Series B Bonds to be redeemed;
- (vi) if less than all of the Series B Bonds of any maturity are to be redeemed, the distinctive numbers of the Series B Bonds of each maturity to be redeemed;
- (vii) in the case of Series B Bonds redeemed in part only, the respective portions of the principal amount of the Series B Bonds of each maturity to be redeemed;
- (viii) the CUSIP number, if any, of each maturity of Series B Bonds to be redeemed;
- (ix) a statement that such Series B Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; and
- (x) notice that further interest on such Series B Bonds will not accrue after the designated redemption date.

(d) *Effect of Notice.* A certificate of the Paying Agent that notice of redemption has been given to Owners and to the appropriate Securities Depositories and Information Services as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Series B Bonds or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Series B Bonds called for redemption is set aside for the purpose as described in subsection (e) of this Section, the Series B Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series B Bonds at the place specified in the notice of redemption, such Series B Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series B Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Series B Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(e) *Funds for Redemption.* Prior to or on the redemption date of any Series B Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this County Resolution provided, the Series B Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series B Bonds to be redeemed upon presentation and surrender of such Series B Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any

interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series B Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Series B Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(f) *Defeasance of Bonds.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid the principal, interest and premium, if any, on the Series B Bonds at the times and in the manner provided herein and in the Series B Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District as provided in Section 7 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under the Series B Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Series B Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (g) hereof shall apply in all events.

For purposes of this section, the District may pay and discharge any or all of the Series B Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Series B Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(g) *Unclaimed Monies.* Any money held in any fund created pursuant to this County Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Series B Bonds and remaining unclaimed for one year after the principal of all of the Series B Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 9. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* This Board of Supervisors does hereby consent to and confirm the appointment of the Treasurer to act as the initial Paying Agent for the Series B Bonds. The Treasurer is hereby authorized to contract with any third party to perform the services of Paying Agent under this resolution. All fees and

expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the Treasurer as provided in the Paying Agent's service agreement. Without further action by the District, if at any time the Paying Agent shall resign or be removed, the Treasurer shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* Unless otherwise specifically noted, any reference herein to the Paying Agent shall initially mean the Treasurer and his designated agents or his successors or assigns, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent, and any reference herein to the "principal corporate trust office" of the Paying Agent for purposes of transfer, registration, exchange, payment, and surrender of the Bonds shall initially mean the office of the Treasurer; provided, however, that in any case "Paying Agent" shall refer to any successor paying agent/registrar, authenticating agent or transfer agent for the Bonds, and "principal corporate trust office" shall include the principal corporate trust office or other office of such successor Paying Agent designated thereby for a particular purpose.

(d) *Registration Books.* The Paying Agent will keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Series B Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Series B Bonds as provided in Section 10 and 11 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series B Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the County in a format mutually agreeable to the Paying Agent and the County.

Section 10. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) DTC is hereby appointed depository for the Series B Bonds. The Series B Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC. One bond certificate shall be issued for each maturity of the Current Interest Series B Bonds, and one bond certificate shall be issued for each maturity of the Capital Appreciation Series B Bonds. Registered ownership of such Series B Bonds, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 11 hereof:

(i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this section (a "substitute depository"); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District or the County, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the County (upon consultation with the District) to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the County can be obtained, or (2) a determination by the County (upon consultation with the District) that it is in the best interests of the County to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series B Bonds by the Paying Agent, together with a written request of the District or County to the Paying Agent, a new Series B Bond for each maturity shall be executed and delivered (in the case of Current Interest Series B Bonds, in the aggregate principal amount of the Current Interest Series B Bonds then outstanding, and in the case of Capital Appreciation Series B Bonds, in the aggregate maturity value of the Capital Appreciation Series B Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District or County. In the case of any transfer pursuant to clause (iii) of subsection (a) of this section, upon receipt of the outstanding Series B Bonds by the Paying Agent together with a written request of the District or County to the Paying Agent, new Series B Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District or County, subject to the limitations of Section 6 and the receipt of such a written request of the District or County, and thereafter, the Series B Bonds shall be transferred pursuant to the provisions set forth in Section 11 of this County Resolution; provided, however, that the Paying Agent shall not be required to deliver such new Series B Bonds within a period of less than 60 days after the receipt of any such written request of the District or County.

(c) In the case of partial redemption or an advance refunding of the Series B Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series B Bonds indicating the date and amounts of such reduction in principal.

(d) The County, the District and the Paying Agent shall be entitled to treat the person in whose name any Series B Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the County, the District or the Paying Agent; and the County, the District and the Paying Agent shall have no responsibility for transmitting payments to,

communicating with, notifying, or otherwise dealing with any beneficial owners of the Series B Bonds, and neither the County, the District or the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Series B Bonds.

(e) So long as the outstanding Series B Bonds are registered in the name of Cede & Co. or its registered assigns, the District, the County and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Series B Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 11. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 10 hereof, any Series B Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series B Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Series B Bond or Series B Bonds shall be surrendered for transfer, the designated County officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 5, a new Series B Bond or Series B Bonds, of the same maturity, Interest Payment Date and interest rate (in the case of Current Interest Series B Bonds, for a like aggregate principal amount, and in the case of Capital Appreciation Series B Bonds, for a like aggregate maturity value). The Paying Agent may require the payment by any Owner of Series B Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Series B Bond shall be required to be made by the Paying Agent (1) during the period established by the Paying Agent for selection of the Series B Bonds for redemption, and (2) after any Series B Bond has been selected for redemption.

(b) *Exchange.* The Series B Bonds may be exchanged for Series B Bonds of other authorized denominations of the same maturity and Interest Payment Date, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series B Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Series B Bond or Series B Bonds shall be surrendered for exchange, the designated County officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 5, a new Series B Bond or Series B Bonds of the same maturity and interest payment mode and interest rate (in the case of Current Interest Series B Bonds, for a like aggregate principal amount, and in the case of Capital Appreciation Series B Bonds, for a like aggregate maturity value). The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Series B Bonds shall be required to be made by the Paying Agent (1) during the period established by the Paying Agent for selection of the Series B Bonds for redemption, and (2) after any Series B Bond has been selected for redemption.

Section 12. Sale of Bonds; Bond Purchase Contract. The form of the Bond Purchase Contract submitted to and on file with the Executive Officer-Clerk of this Board of Supervisors providing for the sale by this Board of Supervisors and the purchase by the Underwriter of the Series B Bonds at a purchase price to be set forth therein (which purchase price shall be approved by the Treasurer, this Board of Supervisors hereby expressly delegating to such officer the authority to execute the Bond Purchase Contract on its behalf), is hereby approved; provided, however, that (a) true interest cost for the Series B Bonds shall not be in excess of 6.00%, (b) the interest rate on the Current Interest Series B Bonds shall not exceed the maximum rate permitted by law, (c) the Capital Appreciation Series B Bonds shall accrete in value to their maturity values at a compounded interest rate not to exceed the maximum rate permitted by law, (d) the Series B Bonds may be sold at an original issue premium, (e) the Underwriter's discount for the sale of the Series B Bonds shall be 1.10% of the principal amount of the Series B Bonds plus any costs of issuance the Underwriter contracts to pay, and (f) the Series B Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Contract shall recite the aggregate principal amount of the Series B Bonds, and with respect to the Current Interest Series B Bonds, shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any; and with respect to the Capital Appreciation Series B Bonds, shall recite the date thereof, the initial principal amounts, maturity dates, and maturity values of each maturity thereof, the initial and semiannual Interest Payment Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

The Treasurer (or an authorized deputy or delegate of the Treasurer) is hereby authorized and directed to accept the offer of the Underwriter when the offer is satisfactory to the Treasurer, and to execute and deliver the Bond Purchase Contract on behalf of the County in substantially the form now on file with this Board of Supervisors, with such changes therein as shall be approved by the authorized officer of the County executing the same, and such execution shall constitute conclusive evidence of the Treasurer's approval and the Board of Supervisors' approval of any change therein from the form of such Bond Purchase Contract.

Section 13. Deposit and Investment of Proceeds. (a) The proceeds from the sale of the Series B Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury and credited to the building fund of the District. Any premium (net of any discount) and accrued interest shall be deposited upon receipt in the interest and sinking fund of the District within the County treasury maintained by the County Auditor-Controller. The County makes no assurances regarding the use of the Series B Bond proceeds.

(b) All funds held hereunder shall be invested by the Treasurer pursuant to State law and the investment policy of the County.

(i) At the written request of the District, all or any portion of the building fund of the District may be invested in the Local Agency Investment Fund in the treasury of the State of California.

(ii) At the written request of the District, all or any portion of the building fund of the District may be invested on behalf of the District in investment agreements which comply with the requirements of each rating agency then rating the Series B Bonds necessary in order to maintain the then-current rating on the Series B Bonds.

Section 14. Tax Covenant. The County acknowledges and relies upon the fact that the District has represented and covenanted that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Series B Bonds under Section 103 of the Code, and that it will comply with the requirements of the Tax Certificate of the District with respect to the Series B Bonds, to be entered into by the District as of the date of issuance of the Series B Bonds, and further that such representation and covenant shall survive payment in full or defeasance of the Series B Bonds.

Section 15. Continuing Disclosure Certificate. The County acknowledges and relies upon the fact that the District has represented that it shall execute a Continuing Disclosure Certificate containing such covenants of the District as shall be necessary to comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The County acknowledges and relies upon the fact that the District has covenanted that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate. The District shall function as or cause the appointment of a dissemination agent, who shall perform all duties and obligations of the Dissemination Agent as set forth in the Continuing Disclosure Certificate, and the County shall have no responsibilities either for compliance with the Continuing Disclosure Certificate or for the duties of the Dissemination Agent.

Section 16. Limited Responsibility for Official Statement. Neither the Board of Supervisors nor any officer of the County has prepared or reviewed the Official Statement of the District describing the Series B Bonds, and the Board of Supervisors and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section contained or to be contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures, as they may relate to funds of the District, the Treasurer is hereby authorized and directed to prepare and review such information for inclusion in the District's Official Statement and in a preliminary Official Statement, and to certify to the District prior to or upon the issuance of the Series B Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

Section 17. Approval of Actions. The Chair of the Board of Supervisors, the Executive Officer-Clerk of the Board of Supervisors, the County Auditor-Controller, the County Counsel, and the Treasurer and the deputies and designees of any of them, are hereby authorized and directed to execute and deliver any and all certificates and representations, as may be acceptable

to County Counsel, including signature certificates, no-litigation certificates, and other certificates proposed to be distributed in connection with the sale of the Series B Bonds, necessary and desirable to accomplish the transactions authorized herein.

Section 18. Effective Date. This County Resolution shall take effect from and after its adoption.

The foregoing County Resolution was on the _____ day of _____, 2003, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which the Board so acts.

VIOLET VARONA-LUKENS, Executive
Officer-Clerk of the Board of Supervisors of the
County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN,
County Counsel

By: 
Deputy County Counsel

EXHIBIT A

[Form of Current Interest Series B Bond]

Number	UNITED STATES OF AMERICA	Amount
R-__	STATE OF CALIFORNIA	\$_____
	COUNTY OF LOS ANGELES	

HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, ELECTION OF 2000, SERIES B (2003)

CURRENT INTEREST BOND

Maturity Date	Interest Rate	Dated as of	CUSIP NO.
August 1, ____	____%	_____, 2003	_____

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

On behalf of the Hacienda La Puente Unified School District, County of Los Angeles, State of California (herein called the "District"), the County of Los Angeles (the "County") hereby acknowledges itself obligated to and promises to pay, but only from taxes collected by the County for such purpose pursuant to Section 15250 of the California Education Code, to the registered owner identified above or registered assigns, on the maturity date set forth above or upon prior redemption hereof, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this bond (unless this bond is authenticated as of a date during the period from the Record Date (as defined herein) next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this bond is authenticated on or before January 15, 2004, in which event it shall bear interest from the date hereof) at the interest rate per annum stated above, payable commencing on February 1, 2004, and thereafter on February 1 and August 1 in each year, until payment of the principal sum.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the principal corporate trust office (as defined in the County Resolution) of the Treasurer and Tax Collector of the County of Los Angeles (herein called the "Paying Agent"), the paying agent/registrar and transfer agent of the District. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such registered owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of current interest Bonds (hereinafter defined) aggregating at least \$1,000,000 in

principal amount, interest will be paid in immediately available funds (e.g., by wire transfer) to an account maintained in the United States as specified by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made in immediately available funds as provided in the County Resolution hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$_____, and designated as "Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)" (the "Bonds"). The Bonds were authorized by a vote of at least two-thirds of the qualified electors voting at an election duly and legally called, held and conducted in the District on June 6, 2000. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of a resolution (herein called the "County Resolution") adopted by the Board of Supervisors of the County on _____, 2003, and subject to the more particular terms specified in the Bond Purchase Contract, dated as of _____, 2003, by and among the District, the County and George K. Baum & Company.

The current interest Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no current interest Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the County Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same series, interest payment mode, and maturity of other authorized denominations.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the County Resolution, and upon surrender and cancellation of this bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same series, interest payment mode, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The County, the District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the County, the District and the Paying Agent shall not be affected by any notice to the contrary.

The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the County Resolution, and as shown in the attached Redemption Schedule. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors of the County hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed in strict conformity with the laws authorizing the issuance of this bond; and that this bond is in substantially the form prescribed by

order of the Board of Supervisors duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

This bond shall not be entitled to any benefit under the County Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the County of Los Angeles has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chair of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

Chair of the Board of
Supervisors of the County of Los Angeles

[SEAL]

Treasurer and Tax Collector of
the County of Los Angeles

Countersigned:

Executive Officer-Clerk of
the Board of Supervisors of the
County of Los Angeles

**PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

This is one of the current interest Bonds described in the within-mentioned County Resolution and authenticated and registered on _____.

Treasurer and Tax Collector of the County of Los
Angeles, California, as Paying Agent/Registrar and
Transfer Agent

By _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

[STATEMENT OF INSURANCE]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer Agent with full power of substitution in the premises.

I.D. Number

NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guarantee: _____
Notice: Signature must be guaranteed by an eligible guarantor institution.

REDEMPTION SCHEDULE

HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF 2000, SERIES B (2003)

EXHIBIT B

[Form of Capital Appreciation Series B Bond]

Number	UNITED STATES OF AMERICA	Maturity Value
R-__	STATE OF CALIFORNIA	\$_____
	COUNTY OF LOS ANGELES	

HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, ELECTION OF 2000, SERIES B (2003)
CAPITAL APPRECIATION BOND

Maturity Date	Dated as of	CUSIP NO.
August 1, ____	_____, 2003	_____

Registered Owner: CEDE & CO.

Initial Principal Amount: _____ DOLLARS

Accreted Value at Maturity: _____ DOLLARS

On behalf of the Hacienda La Puente Unified School District of the County of Los Angeles, State of California (herein called the "District"), the County of Los Angeles (the "County") hereby acknowledges itself obligated to and promises to pay, but only from taxes collected by the County for such purpose pursuant to Section 15250 of the California Education Code, on the maturity date specified above or upon prior redemption hereof, in lawful money of the United States of America, to the registered owner identified above or registered assigns, the accreted value hereof on such date, consisting of the initial principal amount hereof plus interest accreted thereon to such date (in accordance with the County Resolution hereinafter defined and as reflected in the Table of Accreted Values hereinafter set forth; provided, that any accreted value determined in accordance with the County Resolution shall prevail over any accreted values given in the Table of Accreted Values), commencing on the date hereof, compounded on February 1 and August 1 of each year commencing on February 1, 2004, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, until the obligation represented hereby shall have been discharged, as provided in the County Resolution hereinafter defined, upon the surrender hereof at the principal corporate trust office (as defined in the County Resolution) of the Treasurer and Tax Collector of the County of Los Angeles (herein called the "Paying Agent"), the paying agent/registrant and transfer agent of the District.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates or yields, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$_____ principal amount, and designated as "Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)" (the "Bonds"). The Bonds were authorized by a vote of at least two-thirds of the qualified

electors voting at an election duly and legally called, held and conducted in the District on June 6, 2000. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of a resolution (herein called the "County Resolution") adopted by the Board of Supervisors of the County on _____, 2003, and subject to the more particular terms specified in the Bond Purchase Contract, dated as of _____, 2003, by and among the District, the County and George K. Baum & Company.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 accreted value at maturity (the "maturity value") or any integral multiple thereof, except that the first numbered Bond may be issued in a denomination such that the maturity value of such Bond shall not be in an integral multiple of \$5,000, and provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the County Resolution, Bonds may be exchanged for a like aggregate maturity value of Bonds of the same series, interest payment mode, and maturity of other authorized denominations.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the County Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same Series Bond interest payment mode and same aggregate maturity value will be issued to the transferee in exchange herefor.

The County, the District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the County, the District and the Paying Agent shall not be affected by any notice to the contrary.

The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the County Resolution, and as shown in the attached Redemption Schedule. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors of the County hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed in strict conformity with the laws authorizing the issuance of this bond, and that this bond is in substantially the form prescribed by order of this Board duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of the maturity value of this bond (or redemption price hereof upon redemption prior to maturity), shall be raised by taxation upon the taxable property of the District.

This bond shall not be entitled to any benefit under the County Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the County of Los Angeles has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chair of the Board of Supervisors of the County and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

Chair of the Board of
Supervisors of the County of Los Angeles

[SEAL]

Treasurer and Tax Collector of
the County of Los Angeles

Countersigned:

Executive Officer-Clerk of
the Board of Supervisors of the
County of Los Angeles

**PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

This is one of the Bonds described in the within-mentioned County Resolution and authenticated and registered on _____.

Treasurer and Tax Collector of the County of Los
Angeles, California, as Paying Agent/Registrar and
Transfer Agent

By _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

[STATEMENT OF INSURANCE]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer Agent with full power of substitution in the premises.

I.D. Number

NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guarantee: _____
Notice: Signature must be guaranteed by an eligible guarantor institution.

REDEMPTION SCHEDULE

**HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF 2000, SERIES B (2003)**

[TABLE OF ACCRETED VALUES]

BOND PURCHASE CONTRACT

\$ _____
**HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS,
ELECTION OF 2000 SERIES B (2003)**

September __, 2003

Treasurer and Tax Collector
County of Los Angeles
Hall of Administration
500 West Temple Street, Room 437
Los Angeles, California 90012

Board of Education
Hacienda La Puente Unified School District
15959 E. Gale Avenue
City of Industry, California 91716

Ladies and Gentlemen:

The undersigned (the "Underwriter") offers to enter into this Bond Purchase Contract (this "Purchase Contract") with the County of Los Angeles (the "County"), acting through its Treasurer and Tax Collector (the "Treasurer"), and with the Board of Education of the Hacienda La Puente Unified School District (the "District"), acting through its Superintendent. The offer made hereby is subject to acceptance by the County and the District by execution and delivery of this Purchase Contract to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof, but it shall be irrevocable until such time as it is sooner accepted or rejected by the County and the District. Upon acceptance of this offer by the County and the District in accordance with the terms hereof, this Purchase Contract will be binding upon the County and the District and upon the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, covenants and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the County for offering to the public, and the County hereby agrees, on behalf of the District, to sell to the Underwriter for such purpose, all (but not less than all) of the \$_____ aggregate original principal amount of the Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000 Series B (2003) (the "Series B Bonds"), consisting of \$_____ aggregate principal amount of current interest Series B Bonds and \$_____ aggregate initial principal (denominational) amount and \$_____ final maturity value of capital appreciation Series B Bonds, at a purchase price (the "Purchase Price") of \$_____ (which represents the aggregate initial principal amount of the Bonds) plus accrued interest from the dated date of the Bonds to the date of delivery thereof to the Underwriter in the amount of \$_____, based on an assumed delivery date of October __, 2003, with the express acknowledgement that the Underwriter shall retain net original issue premium on

the Bonds in the amount of \$_____ to be applied by the Underwriter to the payment of Underwriter's discount in the amount of \$_____ plus costs of issuance in an amount not exceeding \$_____, as set forth in Section 10 hereof. The true interest cost for the Series B Bonds is _____%.

2. The Series B Bonds. The Series B Bonds shall be issued pursuant to Section 15100 and following of the Education Code of the State of California, and in accordance with the resolution of the Board of Education of the District adopted on August 21, 2003 (the "District Resolution"), and the Resolution of the Board of Supervisors of the County adopted on September 9, 2003, relating to the Series B Bonds (the "Resolution"). The Series B Bonds shall conform in all respects to the terms and provisions set forth in the Resolution and in this Purchase Contract, including in Appendix A hereto.

The Series B Bonds which are current interest bonds shall be dated as of _____, 2003, and shall mature on August 1 in each of the years, in the principal amounts, and pay interest at the rates, shown in Appendix A. Interest on the current interest Series B Bonds shall be payable on February 1, 2004, and semiannually thereafter on February 1 and August 1 of each year.

The capital appreciation Series B Bonds, shall be dated the date of their delivery, and shall mature on August 1 in each of the years and in the redemption values at maturity ("maturity values") shown in Appendix A. The initial principal (denominational) amounts of each maturity of the capital appreciation Series B Bonds shall be as shown in Appendix A. Interest on the capital appreciation Series B Bonds shall be compounded on February 1, 2004, and semiannually thereafter on February 1 and August 1 in each year.

The Series B Bonds shall otherwise be as described in the Official Statement of the District with respect to the Series B Bonds, dated September __, 2003 (the "Official Statement").

The Series B Bonds shall be subject to optional and mandatory sinking fund redemption on the terms and at the times shown in Appendix A.

The Series B Bonds shall be insured by a municipal bond insurance policy to be issued by _____ (the "Insurer").

The Series B Bonds shall be in full book-entry form. One fully registered certificate for each maturity of the Series B Bonds which are current interest bonds and one fully registered certificate for each maturity of the Series B Bonds which are capital appreciation bonds will be prepared and delivered as described in Section 9 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, NY ("DTC"), and will be made available to the Underwriter for inspection at such place as may be mutually agreed to by the Underwriter and the District, not less than one (1) business day prior to the Closing Date, as defined in Section 9 hereof. The Underwriter shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Series B Bonds, but neither the failure to print such number on any Series B Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series B Bonds in accordance with the terms of this Purchase Contract.

3. Offering. The Underwriter agrees to make a bona fide public offering of all the Series B Bonds at the initial public offering prices or yields set forth in Appendix A hereto. The Underwriter certifies to the District, (i) that as of the date of sale, all of the Series B Bonds purchased were expected to be reoffered in a bona fide public offering; (ii) that as of the date of the certification, all of the Series B Bonds purchased had actually been offered to the general public at the offering prices or yields set forth in Appendix A; and (iii) that the offering prices or yields set forth in Appendix A are the

maximum initial bona fide offering prices at which a substantial amount (at least 10%) of each maturity of the Series B Bonds purchased were sold to the general public.

The County hereby ratifies, approves, and confirms the distribution of this Purchase Contract and the Resolution, and the District hereby ratifies, approves, and confirms the distribution of this Purchase Contract and the Preliminary Official Statement of the District with respect to the Series B Bonds, dated _____, 2003 (together with the appendices thereto, any documents incorporated therein by reference, and any supplements or amendments thereto, the "Preliminary Official Statement"), in connection with the public offering and sale of the Series B Bonds by the Underwriter.

The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement, and agrees that it will provide, consistent with the requirements of Municipal Securities Rulemaking Board ("MSRB") Rule G-32, for the delivery of a copy of the Official Statement to each customer who purchases any Series B Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and to deliver a copy of the Official Statement to a national repository on or before the Closing Date, and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Series B Bonds, including, without limitation, MSRB Rule G-32 and 17 CFR Section 240.15c2-12, promulgated by the Securities and Exchange Commission ("Rule 15c2-12").

The Underwriter hereby agrees that prior to the time the final Official Statement is available, the Underwriter will send to any potential purchaser of the Series B Bonds, upon request, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The District will deliver to the Underwriter within seven (7) business days from the date hereof, up to 200 copies (as the Underwriter shall request) of the Official Statement of the District with respect to the Series B Bonds, signed by an authorized officer of the District, dated as of the date hereof, substantially in the form of the Preliminary Official Statement with such changes thereto as shall be approved by the Underwriter, which approval shall not be unreasonably withheld.

4. Representations and Agreements of the County. The County represents to and agrees with the Underwriter that, as of the date hereof and as of the Closing Date:

(a) The County is a political subdivision duly organized and validly existing under the Constitution and general laws of the State of California.

(b) The County is duly authorized and has full legal right, power and authority to issue, sell and deliver the Series B Bonds on behalf of the District, pursuant to the direction of the District contained in the District Resolution, and to provisions of the laws of the State of California.

(c) The County has full legal right, power and authority to enter into this Purchase Contract, to adopt the Resolution, and to observe, perform and consummate the covenants, agreements and transactions contemplated by this Purchase Contract and the Resolution to be observed, performed and consummated by the County.

(d) The County has duly adopted the Resolution in accordance with the laws of the State of California; the Resolution is in full force and effect and has not been amended, modified or rescinded and all representations of the County set forth in the Resolution are true and correct on the date hereof; the County has duly authorized and approved the execution and delivery of, and the observance and performance by the County of its covenants and agreements contained in, the Series B Bonds and this

Purchase Contract, and has duly authorized and approved the consummation by it through its officers and agents of all other transactions contemplated therein to have been performed or consummated at or prior to the Closing Date; and the County has complied, and will at the Closing be in compliance in all respects, with the obligations in connection with the issuance of the Series B Bonds on its part contained in this Purchase Contract, the Resolution, and the Series B Bonds.

(e) The Preliminary Official Statement as of its date does not, and the Official Statement as of its date will not, and if supplemented or amended, as of the date of any such supplement or amendment will not, solely with respect to the information contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer), contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. Representations and Agreements of the District. The District represents to and agrees with the Underwriter that, as of the date hereof and as of the Closing Date:

(a) The District is a school district duly organized and validly existing under the Constitution and general laws of the State of California.

(b) The District has full legal right, power and authority to enter into this Purchase Contract, to adopt the District Resolution, and to observe, perform and consummate the covenants, agreements and transactions contemplated by this Purchase Contract, the District Resolution, and the Official Statement, to be observed, performed and consummated by the District.

(c) The District has duly adopted the District Resolution in accordance with the laws of the State of California; the District Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the District set forth in the District Resolution are true and correct; the District has duly authorized and approved the execution and delivery of, and the observance and performance by the District of its covenants and agreements contained in the Series B Bonds and this Purchase Contract, and has duly authorized and approved the consummation by it through its officers and agents of all other transactions contemplated therein to have been performed or consummated at or prior to the Closing Date; and the District has complied, and will at the Closing be in compliance in all respects, with the obligations in connection with the issuance of the Series B Bonds on its part contained in this Purchase Contract, the District Resolution, and the Series B Bonds.

(d) The District represents to the Underwriter that the Preliminary Official Statement has been "deemed final" by the District as of its date within the meaning of paragraph (a)(2) of Rule 15c2-12, except for the omission of some or all of such information the omission of which is permitted under Rule 15c2-12.

(e) The Preliminary Official Statement as of its date does not, and the Official Statement as of its date will not, and if supplemented or amended, as of the date of any such supplement or amendment will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; in each case excluding therefrom any information contained therein relating to DTC or its book-entry only system, the reoffering price information provided by the Underwriter and information contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer), and the information relating to the Insurer or the municipal bond insurance policy to be issued thereby insuring payment on the Series B Bonds, as to all of which the District expresses no view. The District disclaims any

obligation after the date of Closing to update the Preliminary Official Statement and the Official Statement.

(f) The District will undertake, pursuant to the District Resolution and a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

(g) The District has, and has had, no financial advisory relationship with the Underwriter with respect to the Series B Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriter.

6. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the County and the District that, as of the date hereof and as of the Closing Date:

(a) The Underwriter is duly authorized to execute this Purchase Contract and to take any action under this Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the County and the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship with the District or the County with respect to the Series B Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

(d) The Underwriter has reasonably determined that the District's undertaking pursuant to Sections 5(f) and 7(a)(8) hereof to provide continuing disclosure with respect to the Series B Bonds is sufficient to effect compliance with Rule 15c2-12.

7. Conditions to Closing. (a) At or before Closing, and contemporaneously with the acceptance of delivery of the Series B Bonds, the District will provide to the Underwriter:

(1) a certificate, signed by an official of the District, confirming to the Underwriter that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition or affairs of the District which would make it unreasonable for the purchaser of the Series B Bonds to rely upon the Official Statement in connection with the resale of the Series B Bonds, excluding in each case any information contained in the Official Statement relating to DTC or its book-entry only system, the reoffering price information provided by the Underwriter, information contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer), and the information relating to the Insurer or the municipal bond insurance policy to be issued thereby insuring payment on the Series B Bonds.

(2) a certificate, signed by an official of the County, confirming to the Underwriter that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, solely with respect to the information contained therein describing the County's investment

policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer), contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(3) a certificate or certificates, signed by appropriate officials of the District or the County or both, confirming to the Underwriter that, as of the date of this Purchase Contract and at the time of Closing, to the best of the knowledge of said official or officials, there is no litigation pending concerning the validity of the Series B Bonds, the corporate existence of the District or the County, or the entitlement of the officers of the County who have signed the Series B Bonds, or the entitlement of the officers of the District who have signed the various certificates and agreements of the District relating to the issuance and sale of Series B Bonds, to their respective offices.

(4) a certificate or certificates, signed by an official of the District, confirming to the Underwriter that as of the Closing Date all of the representations of the District contained in this Purchase Contract are true, and that the District Resolution is in full force and effect and has not been amended, modified or rescinded.

(5) a certificate or certificates, signed by an official of the County, confirming to the Underwriter that as of the Closing Date all of the representations of the County contained in this Purchase Contract are true.

(6) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Series B Bonds ("Bond Counsel"), addressed to the District, approving the validity of the Series B Bonds, substantially in the form set forth as Appendix ___ to the Official Statement.

(7) the duly executed Tax Certificate of the District, dated the Closing Date, in form satisfactory to Bond Counsel.

(8) the receipt of the Treasurer confirming payment by the Underwriter of the Purchase Price of the Series B Bonds.

(9) the continuing disclosure certificate of the District, in substantially the form attached to the Preliminary Official Statement.

(10) the municipal bond insurance policy issued by the Insurer with respect to the Series B Bonds, a certificate from the Insurer, the tax certificate representations of the Insurer, and an opinion of counsel to the Insurer regarding the enforceability of such policy, in form reasonably satisfactory to the District, Bond Counsel, and the Underwriter.

(11) the letters of Moody's Investors Service or Standard & Poor's Ratings Services, or both, to the effect that such rating agencies have rated the Series B Bonds "Aaa" and "AAA", respectively (or such other equivalent rating as each such rating agency may give), and that each such rating has not been revoked or downgraded.

(12) the opinion of County Counsel, County of Los Angeles, addressed to the District and the Underwriter, in the form reasonably satisfactory to the District and the Underwriter.

(b) At or before Closing, and contemporaneously with the acceptance of delivery of the Series B Bonds and the payment of the Purchase Price thereof, the Underwriter will provide to the District:

(1) the receipt of the Underwriter, in form satisfactory to the District and the County and signed by an authorized officer of the Underwriter, confirming delivery of the Series B Bonds to the Underwriter and the satisfaction of all conditions and terms of this Purchase Contract by the District and the County, respectively, and confirming to the District and the County that as of the Closing Date all of the representations of the Underwriter contained in this Purchase Contract are true, complete and correct in all material respects.

(2) the certification of the Underwriter, in form satisfactory to Bond Counsel, regarding the prices at which the Series B Bonds have been reoffered to the public, as described in Section 3 hereof.

(3) the certification of the Underwriter, in form satisfactory to Bond Counsel, that the present value of the interest saved as a result of the policy of municipal bond insurance with respect to the Series B Bonds issued by the Insurer exceeds the premium paid for said insurance, and said premium is not unreasonable.

8. Termination. (a) By District or County. In the event of the District's failure to cause the Series B Bonds to be delivered at the Closing, or inability of the District or the County to satisfy the conditions to the obligations of the Underwriter contained herein (unless waived by the Underwriter), or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate.

(b) By Underwriter.

(1) Excused. The Underwriter may terminate this Purchase Contract, without any liability therefor, by notification to the District and the County if as of the Closing Date any of the following shall have had a material adverse effect on the marketability of the Series B Bonds, in the reasonable opinion of the Underwriter, upon consultation with the District and the County:

(A) There shall have occurred and be continuing the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California;

(B) There shall be in force a general suspension of trading or other material restrictions not in force as of the date hereof on the New York Stock Exchange or other national securities exchange;

(C) Legislation shall have been enacted by the Congress of the United States, or passed by and still pending before either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to and still pending before either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, with respect to federal taxation of interest received on securities of the general character of the Series B Bonds, or legislation shall have been enacted by the State of California which renders interest on the Series B Bonds not exempt from State of California personal income taxes, which in the reasonable opinion of the Underwriter materially adversely affects the marketability or market price of the Series B Bonds;

(D) Legislation shall have been enacted, or a decision of a court of the United States shall have been rendered or any action shall have been taken by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction in the subject matter which, in the opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Series B Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the Resolution to be qualified under the Trust Indenture Act of 1939, as amended; or

(E) The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose and there shall be in effect, as to the Series B Bonds or obligations of the general character of the Series B Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charges to the net capital requirements of, underwriters.

(2) Unexcused. In the event the Underwriter shall fail (other than for a reason permitted by this Purchase Contract) to pay for the Series B Bonds upon tender of the Series B Bonds at the Closing, the Underwriter shall have no right in or to the Series B Bonds.

9. Closing. At or before 9:00 a.m., California time, on October __, 2003, or at such other date and time as shall have been mutually agreed upon by the County, the District, and the Underwriter, the District will deliver or cause to be delivered to the Underwriter the Series B Bonds in book-entry form duly executed by the County, together with the other documents described in Section 7(a) hereof; and the Underwriter will accept such delivery and pay the Purchase Price of the Series B Bonds as set forth in Section 1 hereof in immediately available funds by federal funds wire, in an aggregate amount equal to such Purchase Price, plus accrued interest, if any, on the Series B Bonds from the date thereof to the date of such payment, and shall deliver to the District the other documents described in Section 7(b) hereof, as well as any other documents or certificates Bond Counsel shall reasonably require.

Payment for the delivery of the Series B Bonds as described herein shall be made at the offices of the Treasurer in Los Angeles, California, or at such other place as shall have been mutually agreed upon by the County and the Underwriter. The Series B Bonds will be delivered through the facilities of DTC in New York, New York, or at such other place as shall have been mutually agreed upon by the County, the District, and the Underwriter. All other documents to be delivered in connection with the delivery of the Bonds shall be delivered at the offices of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California. Such payment and delivery is herein called the "Closing" and the date thereof the "Closing Date".

10. Expenses. The Underwriter shall pay costs of issuance as described in this paragraph in an amount not exceeding \$_____. The District shall pay costs of issuance incident to the performance of its obligations hereunder from the proceeds of the Series B Bonds (or from any other source of available funds of the District) to the extent such expenses are not paid by the Underwriter which expenses include: (i) the cost of the preparation and reproduction of the District Resolution and the Resolution; (ii) the fees and disbursements of Bond Counsel; (iii) the costs of the preparation, printing and delivery of the Series B Bonds; (iv) the costs of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (v) initial rating fees of Moody's Investors Service and Standard & Poor's Ratings Services; and (vi) fees and expenses of the Paying Agent for the Series B Bonds, and (vii) the premium for the policy of municipal bond insurance to be issued by the Insurer.

All other costs and expenses incurred by the Underwriter as a result of or in connection with the purchase of the Series B Bonds and their public offering and distribution shall be borne by the Underwriter, including, but not limited to (i) clearing house fees; (ii) DTC fees; (iii) CUSIP fees; (iv) fees required to be paid to the California Debt and Investment Advisory Commission ("CDIAC"); (v) The Bond Market Association fees; (vi) MSRB fees; (vii) costs or fees of qualifying the Series B Bonds for offer and sale in various states chosen by the Underwriter and the costs or fees of preparing Blue Sky or legal investment memoranda to be used in connection therewith; and (viii) fees of any counsel to the Underwriter.

11. Indemnification. The Underwriter agrees to indemnify and hold harmless the County and its supervisors, officers, employees and agents, and the District and its directors, officers, employees and agents, from and against any and all losses, claims, damages, liabilities, attorneys' fees and other expenses of every conceivable kind, character or nature whatsoever (including the reasonable costs of investigation) arising out of, resulting from or in any way connected with:

(a) any violation or alleged violation in the offering or sale of the Series B Bonds, by the Underwriter, of the Blue Sky, securities or any other laws of any jurisdiction in which any such offering or sale is made; or

(b) any untrue statement or alleged untrue statement of a material fact or any omission or alleged omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in (i) any text hereafter provided by the Underwriter, without the prior consent of the District, for use in the Official Statement or any supplement or amendment thereto, and which is included therein, or (ii) any other offering material utilized by the Underwriter, without the prior written consent of the District, in connection with the offering or sale of the Series B Bonds; or

(c) the failure of the Underwriter to send or give to any purchaser of any Series B Bonds a copy of the Preliminary Official Statement pursuant to Section 3 of this Purchase Contract and, concurrently with the written confirmation of the sale of such Series B Bonds, the Official Statement (to the extent supplemented or amended, as so supplemented or amended).

12. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the introductory paragraph hereof) may be given to the District or the County by delivering the same in writing to the District or the County at the respective addresses given below, and may be given to the Underwriter by delivering the same in writing to the address of the Underwriter set forth in Appendix A, or such other address as the District, County or the Underwriter may designate by notice to the other parties.

To the District:

Hacienda La Puente Unified School District
15959 E. Gale Avenue
City of Industry, CA 91716-0002
Attn: Chief Business Officer

To the County:

County of Los Angeles
500 West Temple Street
432 Hall of Administration
Los Angeles, CA 90012
Attn: Treasurer and Tax Collector

13. Governing Law. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

14. Parties in Interest. This Purchase Contract when accepted by the County and the District in writing as heretofore specified shall constitute the entire agreement among the County, the District, and the Underwriter, and is solely for the benefit of the County, the District, and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Purchase Contract of each of the parties hereto shall remain operative and in full force and effect, regardless of (a) delivery of and payment for the Series B Bonds hereunder, or (b) any termination of this Purchase Contract.

15. Headings. The headings of the paragraphs and sections of this Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

16. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the undersigned authorized officer of the District and by the Treasurer or authorized deputy, and shall be valid and enforceable at the time of such acceptance.

17. Counterparts. This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

GEORGE K. BAUM & COMPANY

By: _____
Authorized Officer

Accepted: September __, 2003

**HACIENDA LA PUENTE UNIFIED SCHOOL
DISTRICT**

By: _____
Superintendent

Accepted: September __, 2003

COUNTY OF LOS ANGELES

By: _____
Chief Deputy Treasurer and Tax Collector

APPROVED AS TO FORM:

LLOYD W. PELLMAN,
County Counsel

By: _____
Deputy County Counsel

PURCHASE CONTRACT APPENDIX A

**TERMS OF THE
HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS,
ELECTION OF 2000 SERIES B (2003)**

1. Purchase Price. Subject to the provisions of the Purchase Contract to which this Appendix A is attached, the Purchase Price for all of the Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000 Series B (2003) ("the Series B Bonds") shall be

\$ _____,

plus the interest accrued on the current interest Series B Bonds from their dated date to the Closing Date.

2. Maturity Schedule.

I. Current Interest Series B Bonds

The current interest Series B Bonds shall be issued in the principal amounts, bear interest at the respective rates per annum, and mature in the amounts and in the years, specified in the following table:

Serial Current Interest Series B Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
--------------------------------	-----------------------------	----------------------

II. Capital Appreciation Series B Bonds

The capital appreciation Series B Bonds shall be issued in the initial principal (denominational) amounts, mature in the maturity values and in the years, and accrete interest to their maturity values at the reoffering yields, as specified in the following table:

Capital Appreciation Series B Bonds

<u>Maturity (August 1)</u>	<u>Denominational Amount</u>	<u>Maturity Value</u>	<u>Yield to Maturity</u>	<u>Reoffering Yield</u>
--------------------------------	----------------------------------	---------------------------	------------------------------	-----------------------------

3. Redemption Provisions.

Optional Redemption: Current Interest Series B Bonds maturing on or before August 1, 20__, shall not be subject to redemption prior to their respective stated maturity dates. Current Interest Series B Bonds maturing in each year beginning August 1, 20__, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole on any date or in part on any Interest Payment Date on or after August 1, 20__. If less than all of the Current Interest Series B Bonds are to be redeemed, such Series B Bonds shall be so redeemed among maturities as directed by the District, and if less than all of the Current Interest Series B Bonds of any given maturity are called for redemption, the portions of such Series B Bonds of a given maturity to be redeemed shall be determined by lot.

Current Interest Series B Bonds redeemed at the option of the District shall be redeemed at the following prices (expressed as a percentage of the principal amount of the Current Interest Series B Bonds called for redemption), together with interest accrued thereon to the date of redemption:

<u>Redemption Date</u>	<u>Optional Redemption Price</u>
August 1, 20__ through July 31, 20__	%
August 1, 20__ and thereafter	

The Capital Appreciation Series B Bonds shall not be subject to optional redemption prior to their respective maturity dates.

Mandatory Sinking Fund Redemption. The \$_____ Current Interest Series B Bond maturing on August 1, 20__ shall be subject to mandatory sinking fund redemption, in part by lot, on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Redemption Date
(August 1)

Mandatory Sinking
Fund Payment

† Maturity.

Mandatory Sinking Fund Redemption. The \$_____ Current Interest Series B Bond maturing on August 1, 20__ shall be subject to mandatory sinking fund redemption, in part by lot, on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Redemption Date
(August 1)

Mandatory Sinking
Fund Payment

† Maturity.

Notice Address of Underwriter:

George K. Baum & Company
660 J Street, Suite 460
Sacramento, California 95814
Attn: Charles H. Youtz



HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT

15959 EAST GALE AVENUE • P.O. BOX 60002 • CITY OF INDUSTRY, CA 91716-0002 • (626) 933-3800

DR. EDWARD LEE VARGAS, Superintendent

MEMBERS OF THE BOARD

NORMAN HSU, President
SANDY JOHNSON, Vice President
JOSEPH CHANG, Ph.D., Clerk
FELICIA F. MINARDI, Member
ANITA PEREZ, Member

RESOLUTION OF THE BOARD OF EDUCATION OF THE HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT PRESCRIBING THE TERMS OF SALE OF NOT TO EXCEED \$60,000,101 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO ISSUE AND SELL THE BONDS BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE CONTRACT, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE BOND PURCHASE CONTRACT, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES RELATING TO THE BONDS

WHEREAS, an election was duly called and regularly held in the Hacienda La Puente Unified School District, County of Los Angeles, California (the "District"), on June 6, 2000, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District:

"To bring all Hacienda La Puente Unified School District schools into compliance with current building safety/health codes, repair/renovate school facilities, build needed classrooms, libraries and science labs, by funding projects described in the District's bond plan, including asbestos removal, ventilation and fire alarm systems upgrades, and installation of wiring for technology in classrooms and libraries, shall Hacienda La Puente Unified School District issue \$100,000,000 of bonds at interest rates within the legal limit, with annual audits, and qualify for \$56,000,000 in state grants?"

WHEREAS, at least two-thirds of the votes cast on the proposition were in favor of issuing the bonds;

Vision Statement:

The Hacienda La Puente Unified School District is a community committed to developing lifelong learners who value themselves and the diversity of all people; apply decision-making skills leading to responsible actions; and use creativity, critical thinking, and problem solving in meeting the challenges of a changing society.

WHEREAS, on September 20, 2000, pursuant to a resolution of the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles (the "County") adopted on August 29, 2000, at the request of the District pursuant to a resolution of the Board of Education (the "Board of Education") of the District adopted on August 15, 2000, a series of said bonds designated the "Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series A (2000)" in an aggregate principal amount of \$39,999,899.00 was issued and sold;

WHEREAS, pursuant to California Education Code Section 15140 *et seq.*, the Board of Education deems it necessary and desirable that the Board of Supervisors of the County authorize and consummate the sale of an additional portion of the bonds in a single series designated the "Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)" (the "Series B Bonds") in an aggregate principal amount not exceeding \$60,000,101, according to the terms and in the manner hereinafter set forth;

WHEREAS, the Board of Education has determined that it would be in the best interest of the District to authorize the obtaining of an insurance policy to secure the timely payment of the principal of and interest on the Series B Bonds;

WHEREAS, a form of the Bond Purchase Contract (the "Bond Purchase Contract") to purchase the Series B Bonds proposed to be entered into with George K. Baum & Company, as underwriter (the "Underwriter"), has been prepared;

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series B Bonds, the Underwriter must have reasonably determined that the issuer or other obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series B Bonds to provide disclosure of certain financial information and certain material events on an ongoing basis;

WHEREAS, in order to cause such requirement to be satisfied, the District desires to execute and deliver a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate");

WHEREAS, a form of the Preliminary Official Statement (the "Preliminary Official Statement") to be distributed in connection with the public offering of the Series B Bonds has been prepared;

WHEREAS, the Board of Education has been presented with the form of each document referred to herein relating to the financing contemplated hereby, and the Board of Education has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the

District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Hacienda La Puente Unified School District, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the Board of Education so finds.

Section 2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Resolution, have the meanings specified herein, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Authorized Officers” means the President of the Board of Education, or such other member of the Board of Education as the President may designate, the Superintendent of the District, the Chief Business Officer of the District and the Director of Finance of the District, or such other officer or employee of the District as the Superintendent may designate.

“Board of Education” means the Board of Education of the District.

“Board of Supervisors” means the Board of Supervisors of the County.

“Bond Purchase Contract” means the Bond Purchase Contract relating to the sale of the Series B Bonds executed by the County, the District and the Underwriter in accordance with the provisions hereof.

“Capital Appreciation Series B Bonds” means those Series B Bonds accreting interest semiannually to the maturity date thereof payable in accordance with Section 4(e) hereof.

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series B Bonds.

“County” means the County of Los Angeles.

“Current Interest Series B Bonds” means those Series B Bonds bearing interest payable semiannually on a current basis in accordance with Section 4(d) hereof.

“District” means the Hacienda La Puente Unified School District.

“District Resolution” means this Resolution of the Board of Education adopted on August 21, 2003.

“Official Statement” means the Official Statement of the District relating to the Series B Bonds.

“Opinion of Bond Counsel” means an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds.

“Series B Bonds” means the “Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)”.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate, executed by the District, dated the date of issuance of the Series B Bonds.

“Treasurer” means the Treasurer and Tax Collector of the County or any authorized deputy thereof.

“Underwriter” means George K. Baum & Company.

Section 3. Request for Sale of Series B Bonds; Use of Proceeds. The Board of Supervisors of the County is hereby requested to sell, by negotiated sale to the Underwriter, not to exceed \$60,000,101 aggregate principal amount of Series B Bonds and to designate the Series B Bonds as the “Hacienda La Puente Unified School District General Obligation Bonds, Election of 2000, Series B (2003)”. The Series B Bonds shall be issued as Current Interest Series B Bonds and Capital Appreciation Series B Bonds, as provided in Section 4 hereof.

Section 4. Terms of Series B Bonds. (a) *Date of Bonds.* The Current Interest Series B Bonds shall be dated September 15, 2003, or such other date as shall be set forth in the Bond Purchase Contract. The Capital Appreciation Series B Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Contract.

(b) *Denominations.* The Current Interest Series B Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof. The Capital Appreciation Series B Bonds shall be issued in denominations of \$5,000 accreted value at maturity (“maturity value”) or any integral multiple thereof, except that the first numbered Capital Appreciation Series B Bond may be issued in a denomination such that the maturity value of such Capital Appreciation Series B Bond shall not be in an integral multiple of \$5,000.

(c) *Maturity.* The Current Interest Series B Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Contract. No Current Interest Series B Bond shall mature later than the date which is 25 years from the date of the Current Interest Series B Bonds, to be determined as provided in subsection (a) of this Section. No Current Interest Series B Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Contract may provide that no Current Interest Series B Bonds shall be issued.

The Capital Appreciation Series B Bonds shall mature on the date or dates, in each of the years, and in the maturity values as shall be set forth in the Bond Purchase Contract. No Capital Appreciation Series B Bond shall mature later than the date which is 25 years from the date of the Capital Appreciation Series B Bonds, to be determined as provided in subsection (a) of this Section. No Capital Appreciation Series B Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Contract may provide that no Capital Appreciation Series B Bonds shall be issued.

The Current Interest Series B Bonds may mature in the same year or years as the Capital Appreciation Series B Bonds, without limitation. The aggregate principal amount of the Series B Bonds shall not exceed \$60,000,101.

(d) *Interest on Current Interest Series B Bonds.* The Current Interest Series B Bonds shall bear interest, computed on the basis of a 360-day year of 12 30-day months, first payable on February 1, 2004, and thereafter on February 1 and August 1 in each year (or on such other initial and semiannual interest payment dates as shall be set forth in the Bond Purchase Contract).

(e) *Interest on Capital Appreciation Series B Bonds.* The Capital Appreciation Series B Bonds shall not bear current interest; each Capital Appreciation Series B Bond shall accrete in value from its initial principal (denominational) amount on the date of issuance thereof to its stated maturity value at maturity thereof, at a compounded interest rate. The interest on the Capital Appreciation Series B Bonds shall be compounded commencing on February 1, 2004, and thereafter on February 1 and August 1 in each year (or on such other initial and semiannual interest payment dates as shall be set forth in the Bond Purchase Contract), and shall be payable only upon maturity or prior redemption thereof.

(f) *Request for Tax Levy.* The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series B Bonds in such year, and to pay from such taxes all amounts due on the Series B Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Series B Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due. No part of any fund or account of the County is pledged or obligated to the payment of the Series B Bonds.

(g) *Insurance.* The payment of principal and interest on the Series B Bonds may be secured by an insurance policy as shall be described in the Bond Purchase Contract. The Bond Purchase Contract may provide that no insurance policy shall be obtained.

Section 5. Redemption Provisions. The Series B Bonds shall be subject to redemption prior to their respective stated maturity dates at the option of the District as set forth in the Bond Purchase Contract and in the Series B Bonds. The Series B Bonds shall also be subject to mandatory sinking fund redemption, as specified in the Bond Purchase Contract and in the Series B Bonds. The Bond Purchase Contract may provide that the Series B Bonds shall not be subject to optional or mandatory sinking fund redemption, and may provide separate and distinct redemption provisions for the Current Interest Series B Bonds and the Capital Appreciation Series B Bonds.

Section 6. Bond Purchase Contract; Sale of Bonds. The form of Bond Purchase Contract on file with the Clerk of the Board of Education, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however,

that (a) the true interest cost for the Series B Bonds shall not be in excess of 6.00%, (b) the interest rate on the Current Interest Series B Bonds shall not exceed the maximum rate permitted by law, (c) the Capital Appreciation Series B Bonds shall accrete in value to their maturity values at a compounded interest rate not to exceed the maximum rate permitted by law, (d) the Series B Bonds may be sold at an original issue premium, (e) the Underwriter's discount for the sale of the Series B Bonds shall be 1.10% of the principal amount of the Series B Bonds plus any costs of issuance the Underwriter contracts to pay, and (f) the Series B Bonds shall otherwise conform to the limitations specified herein. The Board of Supervisors is hereby requested to cause the Bond Purchase Contract to be executed and delivered by the County, subject to such changes or revisions therein as may be acceptable to the District and to the Board of Supervisors or the County officer to whom execution of the Bond Purchase Contract is delegated.

Section 7. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate, on file with the Clerk of the Board of Education, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. Preliminary Official Statement. The form of Preliminary Official Statement, on file with the Clerk of the Board of Education, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series B Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 9. Official Statement. The preparation and delivery of an Official Statement, and its use by the Underwriter in connection with the offering and sale of the Series B Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement and any amendment or supplement thereto and thereupon to cause the final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 10. Investment of Proceeds. (a) The Board of Education hereby reserves the right to request that the Treasurer invest proceeds of the Series B Bonds in any investment permitted to the District by California Government Code Section 53601 *et. seq.*, as the same may be amended or supplemented from time to time. In addition, (i) at the written request of an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State, and (ii) at the written request of an Authorized Officer, given by an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be

invested on behalf of the District, in investment agreements which comply with the requirements of each rating agency then rating the Series B Bonds necessary in order to maintain the then-current rating on the Series B Bonds.

(b) In the absence of written request from the District, proceeds of the Series B Bonds shall be invested by the Treasurer pursuant to State law, including California Government Code Section 53635, and the investment policy of the County.

Section 11. Tax Covenants. (a) The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Series B Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of the Series B Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series B Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the Treasurer on behalf of the District, in accordance with this District Resolution or pursuant to law, the District shall so request of the Treasurer in writing, and the District shall make its best efforts to ensure that the Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provision of this Section, if the District shall provide to the Treasurer an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Series B Bonds, the Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.


Section 12. Delegation of Authority. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this District Resolution, including, without limitation, upon consultation with the Treasurer, negotiating the terms of the insurance policy, if any, referred to herein.

Section 13. Approval of Actions. All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.

Section 14. Filing with Board of Supervisors. The Clerk of the Board of Education is hereby authorized and directed to deliver a certified copy of this District Resolution to the Treasurer for filing with the Executive Officer-Clerk of the Board of Supervisors.

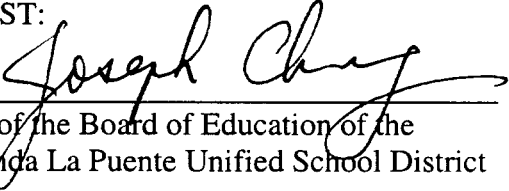
Section 15. Effective Date. This District Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, August 21, 2003.



President of the Board of Education of the
Hacienda La Puente Unified School District

ATTEST:



Clerk of the Board of Education of the
Hacienda La Puente Unified School District

CLERK'S CERTIFICATE

I, Joseph Chang, Ph.D., Clerk of the Board of Education of the Hacienda La Puente Unified School District, County of Los Angeles, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on August 21, 2003, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES: 5

NOES: 0

ABSTAIN: 0


ABSENT: 0

An agenda of the meeting was posted at least 72 hours before the meeting at 15959 E. Gale Avenue, City of Industry, California, a location freely accessible to members of the public, and a brief description of the resolution appeared on the agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Pursuant to Section 14 of the resolution, I have caused a certified copy thereof to be filed with the Executive Officer-Clerk of the Board of Supervisors of the County.

Dated: Aug. 21, 2003



Clerk of the Board of Education of
Hacienda La Puente Unified School District